

**Synergies between European R&I
partnerships and European Structural and
Investment Funds (ESIF): Good practice
catalogue of synergies adopted in Horizon
2020**

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Introduction

This good practice catalogue aims to provide an overview of experiences to pursue synergies between partnerships and ESIF under H2020. In particular, the examples provide insights into how synergies between ESIF funds and different partnerships (public-public, public-private) were achieved in H2020. It aims to underline positive actions undertaken by the **Managing Authorities** (MAs) when acting as **Programme Designers** or as **Funding agencies** (FAs) in establishing synergies between different funds (ESIF funds and H2020 R&I partnership-funding).

The 7 good practice cases are split into three categories:

- **Parallel funding:** Synergies implemented by European R&I partnerships where ESIF was used directly to fund the national/regional part of projects' budgets approved by partnerships.
- **Sequential funding:** ESIF investments enable Horizon 2020 participation, e.g., funds for research infrastructure investments facilitate participation in H2020 projects (up-stream sequential funding). Horizon 2020 projects are followed up by ESIF supported projects addressing e.g., market deployment, prototype development, or training (i.e., down-stream sequential funding).
- **Alternative funding:** reorientation of European R&I partnership projects that were positively evaluated, shortlisted, but not funded due to limited budget, towards ESIF using dedicated labels/schemes developed by partnerships modelled after the “Seal of Excellence scheme” of Horizon 2020 and Horizon Europe¹

This catalogue builds on the 2019 ERA-LEARN [Policy Brief](#) on the potential coordination between European Structural and Investment Funds (ESIF) and transnational P2P” and accompanies the 2021 ERA-LEARN [Updated Policy Brief](#) on the same issue. It benefits from additional cases identified through an extensive survey addressed to three target groups: a) representatives of European public partnerships, b) people involved in the EOSC Regional Projects, and c) Regional Authorities dealing with the Smart Specialisation Strategies (S3). In addition, as soon as the relevant legislative basis is finalised, this catalogue will be followed by a publication including “Tools for Synergies” based on the new legal basis of the next Multi-annual Financial Framework, 2021-2027 and corresponding to the new features of the partnerships under Horizon Europe.

The list of good practice cases presented below is by no means exhaustive. It provides an indicative subset of good practices in combining Cohesion policy funds with other European R&I programmes in practice. As such they can be an inspiration for future actions in this direction.

¹ [The Seal of Excellence](#) is a quality label awarded to H2020 (and Horizon Europe) proposals to EIC, MSCA, ERC Proof of Concept, Teaming to help those proposals find alternative funding.

Parallel funding

Case 1: ERA-NET Co-fund: M-ERA.NET and Manunet

Introduction

M-ERA.NET is an ERA-NET Co-fund was established in 2012 with the aim to support and increase the coordination of European research and innovation programmes and related funding in materials science and engineering. It consists of a consortium of 43 public funding organisations from 32 European and non-European countries, including the regional government of Calabria in Italy. This case focuses on the experience of the Calabria Region as an example in creating synergies between ERA-NET Co-Funds and ERDF. This case draws upon an additional interview with the Calabria Region Scientific Research Manager.

Approach to implementing synergies

At first, the Calabria's ROP did not foresee any specific measure to support participation to calls of the ERA-NET scheme. Nevertheless, within the M-ERA.NET, the Calabria Region participated since 2016 to co-funded projects through ERDF², likewise other partners.

In the Regional OP the M-ERA.NET funding was allocated from the Axis 1 Research and Innovation, measure 1.1.4 – R&D activities (R&D project, intangible services, IPR, dissemination of results, support and mentoring) Call for applicants Innovation Clusters”

The participation of Calabria Region to M-ERA.NET was favoured by the good relationships among internal departments. The M-ERA.NET Consortium Agreement was signed by the Department of Economic Development, initially interested in funding projects in the field of energy/materials. The M-ERA.NET research topics were compatible with Regional RIS3, which suggested the first matching condition for funding the participation of Calabrian research groups to projects by means of ERDF. In addition to this, the key factor for finally disclosing ERDF resources was provided by a note in the selection criteria of the Measure 1.1.4. **“Support to collaborative R&D activities for the development of new sustainable technologies, products and services”** in the Regional Operational Programme. The note to the selection criteria provided the conditions for the eligibility of projects evaluated positively according to the Horizon 2020 assessment criteria. The Monitoring Committee, by approving the note (with a decision on its programmatic consistency) during the ex-ante evaluation, opened the way to finally allocate ERDF resources as financial availability to M-ERA.NET projects, without requiring an additional evaluation process. The ROP Measure 1.1.4 had a total financial allocation of about 35 million euro, out of which 500 thousand were earmarked for M-ERA.NET and 2 million euro were assigned to other Horizon 2020 initiatives (including Seal of Excellence).

² In the 2016 call the Calabria Region allocated 0,5 million euro of regional funding; in the call 2017 were allocated 105.000 euro regional funding, in the call 2018 Calabria funded 3 projects with a total allocation of 1.3 million euro of regional funding.

Calabria Region's followed this same approach also to support the participation to another ERA-NET, "Eramin", by replicating the allocation of ERDF resources for the benefit of that P2P.

At **Programme Level**, the focus on RIS3 enabled the joining of the Regional Authority in the ERA-NET Co-fund and the selection of research topics for joint calls in compliance with those already established in RIS3, giving then the opportunity to activate complementary measures for funding sequential synergies at territorial level.

At **Project Level**, where the Regional Authority was acting as FOB, another synergy was possible, i.e., the destination of ERDF allocation on a specific measure from the Regional scope to a European scope.

The same practice described for M-ERA.NET has been followed by the [Manunet ERANET](#) which is a Co-fund action supporting innovation-driven, close-to-market research and development projects in manufacturing. Many Regional Authorities since 2006 are working together for deploying joint calls. The Piemonte Region, similarly to Calabria Region, activated the ROP ERDF Axis 1 Research and Innovation, Action I.1b.1.2, devoting 1.500.000 euro for funding Manunet projects.

Under this category, we can mention other examples: ERA-NET Co-fund PhotonicSensing and ERA-NET PerMed, ERA-NET Concentrated Solar Power.

The Spanish participation in the ERA-NET Concentrated Solar Power is implemented through national/regional funding agencies' research and innovation programmes in the field of Concentrating Solar Power (CSP)/Solar Thermal Electricity (STE).

The first CSP ERA-NET co-funded call is carried out by the following countries and regions Germany and North Rhine-Westphalia, Greece, Israel, Italy, Portugal, Spain and Extremadura, Switzerland and Turkey. Within this Call, public and private entities from Extremadura accessed the funds of the AEI or CDTI, together with the funding available from the Regional Government of Extremadura through AGENEX (Extremadura Energy Agency).

Operationally, the regional funding (50.000 euro for a project) finances with two different approaches:

- 1) In the case of public entities in Extremadura that exceed the financial requirements of the AEI, the complementary regional funding will be aimed at covering the marginal costs that are not borne at national level (such as Personnel costs for temporary employment contracts, Current costs, small scientific equipment, disposable materials, travelling expenses and other costs that can be justified as necessary to carry out the proposed activities)
- 2) In the case of private entities that exceed the financial conditions of the CDTI, there will be additional funding to cover the cost of disseminating the results of the project, the

management of the consortium and/or any other management costs not supported by the CDTI.

Challenges and Barriers

The interviews offered the possibility to dig into technical and practical aspects of this practice. The general opinion is that the discussion about synergies is often too vague and unhelpful. A wide literature exists, and many presentations have been given in conferences and ad-hoc meetings, but the main questions about the implementation remain: **how to practically implement synergies, which kind of legal solutions can be effectively implemented.** Practical solutions and tools are lacking at the moment for Public Authorities as well as collections of concrete and reproducible examples.

Another relevant constraint for Regional Authorities is represented by the **Interim and final evaluation of funded projects.** While in ERA-NET scheme the funding decision follows the assessment procedure, which is held at central level by international panels, currently the interim and final evaluation of funded projects' progresses is operated by each funding organization for their own beneficiaries. This procedure is cumbersome and time-consuming mainly because the MAs and FOBs need to establish groups of scientific experts to evaluate the projects, and it needs to be replicated for each participant in the transnational project. In order to reduce this effort and streamline this resource-consuming procedure, **it's advisable to create a centralized procedure for interim evaluation of projects under scientific and technical point of views,** while MAs and FOBs will keep taking care about administrative procedures and certification of costs.

Good practices and lessons learned

- **Compatibility of M-ERA.NET research topics with Regional RIS3,** which suggested the first matching condition for funding the participation of Calabrian research groups to projects by means of ERDF.
- **Appropriate eligibility criteria:** M-ERA.NET projects positively evaluated according to H2020 assessment criteria are eligible for receiving ERDF funding without additional evaluation
- **More information and guidance for Public Authorities needed:** In particular, Public Authorities lack information and guidelines on how to practically implement synergies, which kinds of legal solutions can be effectively implemented as well as corresponding tools.
- **Joint procedure for interim evaluation of projects needed** in order to streamline evaluation by two organizations (MAs and FOBs) in the future

Case 2: ECSEL participation of Italy and Romania

Introduction

ECSEL (and before that ENIAC JU) included the possibility for Member States to support partners in an ECSEL project through ESIF. The Council Regulation (EU) No 561/2014, establishing the ECSEL Joint Undertaking that ECSEL JU: “ .. *should seek to develop close interactions with the ESIF, which can specifically help to strengthen local, regional and national research and innovation capabilities in the area of the ECSEL Joint Undertaking and underpin smart specialisation efforts.*” Romania and Italy are examples of member states using ESIF funds to support ECSEL project participation.

Approach to implementing synergies

Italy and Romania took advantage from the possibility opened by ECSEL JU to use ESIF for the benefit of ECSEL applicants in 2016. The decision to use ESIF for a JU was mainly due to the lack of National Funding for creating an impact on the ECSEL ecosystem.

On the other side, the availability of structural funds in less developed regions has been conceived as an opportunity not available in all the European Countries, namely more developed and advanced countries do not have such additional resources. Italy and Romania used the structural funds as additional funding to ECSEL JU to increase the number of projects/participants to be funded in their territories.

Partners receiving ESIF resources cannot claim Horizon 2020 funds in order to comply with the double funding prohibition or, if they combine different funding sources in the same action, they have to clearly indicate the activities to be supported by ESIF and those supported by Horizon 2020. In this way participants can fully engage in the activities of the project. This solution requires from the national side the signature for an additional agreement for ESIF grant and the accomplishment of related rules. The two countries that have used this possibility are Italy and Romania. In total 22 ECSEL projects involved some partners with ESIF funding.

Those partners participate in ECSEL projects as full partners, ECSEL Office, even if not involved in the payment of ESIF grants, does provide the monitoring reporting to support the national authorities in their payments processes.

The Romanian example

Romanian organisations may access to ECSEL funding in two different ways:

- projects selected for funding by ECSEL get funded through Horizon 2020 funds and the states participating in ECSEL through national funds. If instead of the national funds, financing from the structural funds is requested by the Romanian partners, then financing from Horizon 2020 (by ECSEL) is not accepted.

- the activities of the Romanian partners can be funded using ESIF by submitting a **complementary project** for RO-ECSEL funding. R&D and innovation activities in addition to projects funded under the Horizon 2020 Joint Technology Initiatives (JTIs), which are outside the JTI work plan (therefore ineligible for funding from the Horizon 2020 framework program), but are **complementary to the activities** in the work plan and contribute to achieving the objectives of the JTI, can be eligible for funding under this action “*COMPLEMENT*”, the package of additional complementary RDI activities must receive a "Synergy Label" (CLEANSKY2) or equivalent from JTI evaluators. Romanian participants in CLEANSKY2, as well as Romanian participants in the other Joint Technology Initiatives (JTIs) funded by Horizon 2020, may apply for this type of project provided that the package of additional RDI activities is **complementary** to a project evaluated and funded by JTI, have been positively assessed by JTI evaluators and have received a certificate of compliance with their JTI objectives

These RO-ECSEL projects are funded through the Competitiveness Operational Programme 2014-2020, Axis 1, Action 1.1.3 Creating synergies with research, development and innovation actions within Horizon 2020 of the EU and other international programmes of RDI.

The financial assistance for a RO-ECSEL project cannot exceed 1.3 million euro and the costs of Romanian participants are only eligible after signing contracts under the Competitiveness Operational Programme. Participants that receive their funding through RO-ECSEL cannot also receive European funding from the ECSEL JU, therefore the applicant must provide a statement that they did not receive funding from ECSEL Joint Undertaking for RDI evaluated and selected activities that are financed within Structural funds.

The Italian example

Italy participated to ECSEL JU calls with a mixed model of funding: national funding and ESIF (National Operative Programme). The Italian participation was underpinned by the joint collaboration of two different ministries (Ministry for University and Research and Ministry for the Economic Development) according to their entitlement to manage different focus-oriented funding sources. This mixed model was enriched in the call 2017 by the participation of regional funding.

As an example, we report the composition of funding allocated for the calls: H2020-ECSEL-2017-1-IA-two-stage - Innovation Actions (IA) and H2020-ECSEL-2017-2-RIA-two-stage - Research and Innovation Actions (RIA). Italy participated with funds coming from the following funding organizations:

- 1) Ministry of Education, University and Research (MIUR) committed funds from two different sources:
 - a) National funds for an amount of 2,4 million euro as grants and 5 million euro as loans;
 - b) Structural funds, for an amount of 15 million euro as grants;

- 2) Ministry for Economic Development (MISE) committed 10 million euro as grants;
- 3) Lombardia, Piemonte, Emilia Romagna and Sicilia Regions committed € 1.184.500 for IAs.

This approach, with different funding composition, was in use from 2016 until 2018.

National funds are reserved only for those participants not eligible for the Structural funds. In case of exhaustion of Structural funds allocation, National funds could be used also to fund participants eligible for Structural funds, namely organisations established in the 5 southern less-developed regions (Basilicata, Calabria, Campania, Puglia and Sicilia) or in one of the 3 Italian transition regions at that time (Abruzzo, Molise and Sardegna).

The funding rates applicable for National Funds and Structural Funds were different according to the higher intensity of the aid devoted by structural funds to less developed and transition regions. In any case beneficiary granted with national funds were also granted with EU contribution, while this possibility was precluded for ESIF beneficiaries. The Ministry operated in such a way to grant ESIF and national/European funding with percentage of eligible costs funding rate fair and equitable for all the Italian beneficiaries, *mutatis mutandis* (i.e., different aid intensity according to regional development).

The participation of Regions (Lombardia, Piemonte, Emilia Romagna and Sicilia Regions) committing resources for the IA call was enabled by the Ministry of Economic Development through the establishment of “Programming Agreements” signed by the Ministry, the Italian Regions and other public entities involved. The objective if such “programming Agreements” is to support the competitiveness of large companies established in specific territories through the support provided to innovation processes related to technological clusters, potentially having a significant impact on protection and increase of employment. Accordingly in this case, the eligibility criteria established that Italian partners’ project costs must account for a minimum of 2,5 million euro (R&D eligible costs).

Challenges and barriers

- Lack of harmonization of cost models and reporting requirements of H2020 and ESIF
- Interpretations on definition of «cost item» in order to match eligible costs definitions between H2020 and ESIF rules.
- Differences in counting for state aid: provide equitable grants to participants established in different country’s areas, especially in those countries where the National Operational Programmes allocate resources with different intensity according to 3 categories of regions (less-developed; transition; more-developed).
- Article 17 ECSEL Participating States contributions of the ECSEL establishing Council decision opened the possibility to Member states to entrust the ECSEL Joint Undertaking with the implementation of their contributions to the participants in indirect actions through

the grant agreements with participants concluded by the ECSEL Joint Undertaking. They may also entrust the ECSEL Joint Undertaking with the payment of their contributions to the participants or make the payments by themselves based on the verifications made by the ECSEL Joint Undertaking: Italy explored this possibility but it was discharged since the central financial management at that time didn't foresaw the transfer back of residual Member States contribution.

Good practices and lessons learned

- **Establishing rules and guidance to prevent double funding** by ESIF and Horizon 2020 or other funding sources: An additional agreement for ESIF grants and the accomplishment of related rules is needed in the case of using ESIF for ECSEL project participants.
- **Inter-institutional collaboration and alignment** is beneficial for increasing the budget availability in Member States where different Ministries and different administrative levels are entitled in managing National/regional and structural funds.
- **Administrative synergies**: The ECSEL JU can support ESIF national authorities in their payment processes by providing project monitoring and reporting.

Case 3: JU Clean Sky 2 Synergy label

Introduction

Public-Private Partnerships with industry are established in the form of Article 187 Joint Undertakings (JUs) in strategic areas of research and innovation. Clean Sky 2 (JU CS2) is one of the seven joint undertakings funded by the EU's Horizon 2020 programme, with the aim of strengthening European aero-industry collaboration. The JU CS2 implemented a set of actions combining Horizon 2020 and ESIF funds in a structured way, particularly establishing structured synergy opportunities as well as introducing instruments enabling Managing Authorities to fund complementary projects using ESIF.

Approach to implementing synergies

JU CS2 established a set of Memoranda of Understanding with Regional Authorities in order to align CS2 thematic objectives with regional strategies and RIS3 in order to activate the applicable [ESIF regional instruments](#). This structured, long-lasting dialogue between JU CS2 and Regional Authorities aims to continuously cooperate for the benefit of the Aeronautic sector, included as a priority in the RIS3 of the signing Authorities. The goal of this dialogue is twofold: the cooperation benefits JU CS2' awareness about the regional R&I priorities so that the research topics can be updated and addressed over the time; on the other side the Regional Managing Authorities receive feedback from JU CS2 and stakeholders for the implementation of tasks under the MoU and at the level of regional calls (for details on the establishment of the approach to establish synergies through a structured approach see chapter on Alternative funding - Case 1: JU Clean Sky 2 and Regional Authorities for alignment and synergies).

Beyond establishing cooperation with Regional Authorities, JU CS2 offers interesting good practices for **parallel funding** promoted within the project proposals submitted under JU CS2 calls. Applicants to CS JU2 calls may propose parallel R&I activities with strategic impact (e.g. enhancing market take-up, increase impact, etc.) in an "ESIF work package" which may be granted with ESIF funding. This separate work package also needs to define synergies, eligible costs and ESIF funding value. It will be separately evaluated and may be granted with a '**synergy label**' which can be taken up or be considered by the relevant Managing Authorities when activating appropriate funding schemes.

This provision was used for example by the **Andalusian Promotion Programme for International R&D&I** which funds Complementary Actions linked to [Clean Sky 2](#) calls. The Andalusian programme funded a number of complementary projects. Andalusian companies were invited to submit complementary proposals that are accompanied by a positive evaluation (above threshold) and a "synergy label" certification awarded by Clean Sky 2.

Challenges and barriers

- The solutions do not overcome the main limit represented by the synchronization of opportunities for multi-partners proposals.
- JUs' "synergy label" are drafted in a way that leaves to applicants the responsibilities and burden to take advantage of the label without ensuring any other supporting actions

Good practices and lessons learned

- Through such actions, synergies are created with ESIF by broadening the scope of Partnerships' projects, adding **parallel activities and continuing work** that has already been supported in order to build and enhance capabilities and skills.
- **Establishing and making use of a “synergy label”** to enable Managing Authorities to use ESIF funds to support complementary projects on regional level.
- **Aligning CS2 thematic objectives with regional strategies and RIS3** to activate ESIF
- **Establishing long-term dialogue and cooperation** between CS2 and Managing Authorities so that research topics can be updated and addressed over time, as well as enabling feedback from JU CS2 and stakeholders to be used at the level of regional calls.

Sequential funding

Case 1: Italian National Programme for Research Infrastructures (PNIR)

Introduction

Italy has developed a solid strategy for the coordination and funding of research infrastructures of pan European relevance. The National Programme for Research Infrastructures (PNIR) which is part of the National Programme for Research (PNR) has a direct link to the strategies and priorities shared at European level, by adopting the ESFRI Roadmap and also acknowledging the role of the research infrastructures for the development of the RIS3.

The National Programme for Research Infrastructures complies with the need to match the ex-ante conditionalities for the use of ESIF, as required by the European Commission, by identifying a methodology for the selection of priority Research Infrastructures to implement projects coherent with the national strategies and to allow their funding through ESIF.

In this case it's possible to identify a sequential synergy with structural funds which creates condition for the Italian research centres to be in the position for participating to the European co-programmed Partnership EOSC with renewed and advanced infrastructures. It's also important to underline that European Partnerships do not differ from the EU research infrastructures for what concerns the transnational participation of public funders, therefore it's useful to search for similarities, solutions and examples in this area.

Approach to implementing synergies

The PNIR defines the priorities and creates the conditions for a coordinated use of the instruments for funding of research infrastructures:

- it conveys the institutional funding from the Ministry of University and Research with a block funds that amount to around 100 million euro per year, supporting the development, construction and operation;
- since the majority of these research infrastructures are fully embedded into the research programmes managed by Italian Public Research Organisations, they use part or their institutional funds for supporting needs of these research infrastructures in terms of personnel, funds for the operations;
- It also conveys National and Regional funds in compliance with their own RIS3.

It's worth mentioning that the Call for Research Infrastructures is worth around 300 million euro.

In 2019, the Ministry of Universities and Research selected 18 projects for funding promoted by Research Infrastructures in Italian convergence regions.

One of the funded projects was explicitly focused on EOSC main objectives and infrastructures while some other projects also aimed at the empowerment of infrastructures and data centres in general without intentional connection to EOSC initiative.

Good practices and lessons learned

- **Inter-institutional collaboration and alignment** is beneficial for increasing the research capacity and human capital capability for Research centres and infrastructures to being part of new European Partnership.
- **Create systemic impact on research by offering to public or private researchers** to rely on competitive infrastructures and equipment not only for technological-scientific challenges but also considering the economic and social challenges.

Case 2: EIT-KICs

Introduction

EIT-KICs³ are innovation topic-oriented communities whose mission is the attraction of further funding beyond EIT financial contribution, their partners' own revenues and resources, such as private and/or public funding at national, regional and EU level, particularly the European Structural and Investment Funds and the Horizon 2020 programme. The possibilities to create sequential synergies may vary according to the innovation investment needs of the partners at local level and according to the territorial needs.

Approach implementing synergies

Three examples of sequential synergies in which the innovation investments concerned the empowerment of human capital by the use of ESIF for the development of entrepreneurship can be reported here:

EIT Digital: [VentureLab Twente](#) project of Twente University (EIT KIC partner) is a research-based business development programme for technology-based start-ups. Today, the VentureLab programme is part of VentureLab International and operates at two locations: VentureLab East and VentureLab North, connected to the University of Groningen's Centre for Entrepreneurship UCGE. VentureLab International offers an MBA-level business development programme that aims at accelerating growth for young businesses. It offers a one-year tailor-made programme that includes personal coaching, training sessions, as well as access to experts, labs, technologies, office space and equipment. VentureLab participants are also enterprising university researchers. They combine the business development support experience and networks of NIKOS and SKIO, the Saxion University of Applied Science's Knowledge Centre for Innovation and Entrepreneurship. Venture Lab is using an ESIF funded incubator to host start-ups supported by EIT Digital

EIT InnoEnergy and EIT Climate-KIC: [Cleantech Bulgaria](#) works closely with leading universities and science organizations in the development and application of innovations in business and industry fields. Cleantech creates educational programmes for innovation, clean technology and circular economy. Cleantech is based in Sofia Tech Park and is an ERDF funded project supporting the InnoEnergy and Climate KIC activities.

EIT's Climate-KIC⁴: The Climate-KIC's Regional Centre (Poland) works with public and private entities in the Lower Silesia region on the transition towards a low-carbon economy.

Most Lower Silesia partners in this KIC, and in particular the WROCLAW RESEARCH CENTRE EIT+, the University of Environmental and Life Sciences and the Wrocław University, have

³ EU Funds working together for Jobs and Growth: [Synergies between the R&I Framework Programmes and the European Structural & Investment Funds](#), European Commission, Directorate- General Research and Innovation (2016), Luxembourg

⁴ EU Funds working together for Jobs and Growth: [Synergies between the R&I Framework Programmes and the European Structural & Investment Funds](#), European Commission, Directorate- General Research and Innovation (2016), Luxembourg

received since 2007 from ERDF over €210 million for projects. This enabled the Lower Silesia region to join the Climate-KIC.

The Climate-KIC's Regional Centre in Lower Silesia is working with 14 public and private entities in the region on the transition towards a low-carbon economy. It collaborates with businesses, academia and the public sector to develop new innovation schemes, professional education programmes and entrepreneurship.

Almost 100 Polish 'agents of change' have been trained as part of the on-going 'Pioneers into Practice' programme. A particular area of work is influencing the way the Operational Programmes under ESIF are being used to stimulate low-carbon innovation. These programmes represent a major source of investment for low-carbon innovation in Central and Eastern Europe up to 2020. The Lower Silesia region is proposing to spend more than 600 million euro of its ESIF to support regional low-carbon economy developments over the next seven years.

The Climate-KIC's Regional Centre in Lower Silesia is also formally collaborating with Estonia to share approaches and develop joint programmes and activities to boost low-carbon innovation.

Good practices and lessons learned

- **Leveraging ESIF to increase innovation investments at local levels** leveraging existing initiatives and/or overarching goals
- **EIT - KIC partners building on insights achieved from the Knowledge Innovation Community** to contribute to related innovation topics, thereby promoting capacity building projects at local level and further use/implementation of results
- **Alignment of topics and goals** between ESIF projects and EIT-KIC projects is set up by design since the EIT funding model seeks to align, pool and eventually leverage the Innovation Communities' innovation investments, which is the focus of ESIF funding.

Alternative funding

Case 1: JU Clean Sky 2 - Use of MoUs with Regional Authorities

Introduction

As described in the section Parallel funding - Case 3: JU Clean Sky 2 Synergy label, the JU CS2 implemented a set of actions combining Horizon 2020 and ESIF funds in a structured way, particularly establishing structured synergy opportunities as well as introducing instruments enabling Managing Authorities to fund complementary projects using ESIF. The CS2 JU' Synergy label ensures the correspondence of the ERDF's work package to RIS3, so that national and regional authorities may fund Synergy labelled projects by disclosing proper funding actions within National and Regional Operative Programmes

Approach implementing synergies

JU CS2 established a set of Memoranda of Understanding with Regional Authorities in order to align CS2 thematic objectives with regional strategies and RIS3 in order to activate the applicable [ESIF regional instruments](#). This approach not only facilitates synergies in the sense of

establishing the framework to apply alternative funding, but also lays the basis for funding of parallel/complementary activities and sequential activities.

Through bilateral meetings with ESIF Managing authorities, JU CS2 promotes a cooperation with Managing Authorities that brings both sides of the table into a shared position about the R&I priorities in the aeronautic field. The Memoranda are based on the following items:

- Mutual commitment for identifying synergies;
- Identification of MA's policy framework supporting aeronautics R&I. For joining CS2, RIS3 shall not necessarily relate to aeronautics but can refer also to relevant areas such as: R&I, transport, mobility, materials, CO2 reduction, etc.;
- Identification of ESIF measures and funding schemes which can be activated for facilitating JU CS2 goals through either a specific call focused on aeronautics, or a call with thematic areas.

The twofold way of interactions enables the creation of following synergies at Programme Level:

- Regional Managing Authorities make decisions for activating specific ERDF funding measures planned in the ROP. Some Authorities have also included a specific action devoted to supporting projects in synergies with Horizon 2020 or specifically with JU.
- JU CS2 can stimulate decisions for adapting the strategic agenda and the work plan according to RIS3

The MoU follows the regional strategy/RIS3 and the applicable ESIF regional funding instruments which can identify thematic objectives or align the regional funding instruments to support possible pilot projects. By June 2018, Clean Sky 2 has signed seventeen MoU at a national or regional level:

- Occitanie (FR)
- Andalusia, Catalonia, Castilla La Mancha, Castilla Y Leon (ES)
- Campania (IT)
- Romania (National level)
- Czech Republic (National level)
- Flevoland and Zuid-Holland (NL)
- Västra Götaland and Östergötland Götaland (SE)
- Portugal (National level)
- Podkarpackie (PL)
- Greece (National level)
- Sterea Ellada (GR)
- Brandenburg (DE)

The MoUs create long lasting dialogue between the JU CS2 and Regional Authorities aiming to continuously cooperate for the benefit of the Aeronautic sector, included as a priority in the RIS3 of the signing Authorities. Synergies with the Clean Sky 2 programme and its technology roadmap can be achieved by broadening the scope, adding parallel activities or continuing CS2JU co-funded projects/activities through ESIF support.

Beyond the broader benefit of long-term dialogue and exchange of synergies, the signing of MoUs with Regional Authorities more specifically **facilitates Clean Sky 2 proposals to find alternative funding** from ESIF. Project proposals with a positive evaluation (above threshold) by Clean Sky 2 and that were placed by Clean Sky 2 in the reserve list of a call and thus remained not funded are able to submit their proposal to their regional ESIF programme. The decision to fund the project through ESIF can then be decided on a case by case basis after discussions between the Managing Authority and Clean Sky 2 on whether these could be considered as complementary to CS2 objectives. This process of alternative funding was e.g. already used by the Andalusian Promotion Programme for [International R&D&I](#).

Challenges and barriers

- The solutions do not overcome the main limit represented by the synchronization of opportunities for multi-partners proposals.
- JUs' "synergy label" are drafted in a way that leaves to applicants the responsibilities and burden to take advantage of the label without ensuring any other supporting actions

Good practices and lessons learned

- **Establishing and making use of MoUs** to enable Managing Authorities to use ESIF as alternative funds for projects on regional level.
- **Aligning Partnerships' thematic objectives with regional strategies and RIS3** to activate ESIF
- **Establishing long-term dialogue and cooperation** between Partnerships and Managing Authorities so that research topics can be updated and addressed over time, as well as enabling feedback from Partnerships and stakeholders to be used at the level of regional calls.

Case 2: Synergy Label in BBI

Introduction

The [BBI JU's synergy label](#) is linked to the JU commitment in establishing Memorandum of Understanding with Managing Authorities and support “labelled” proposals in searching for alternative funding.

The Synergy Label supports the search for alternative funding by improving the reputation and recognition of the organisations participating in the proposals and facilitate the search by the consortia for an alternative source of funding provided by EU funding organisations, EU member states and regions or other possible funding organisations.

Approach implementing synergies

The BBI JU Synergy Label is a pilot initiative that recognises the value and excellence of Innovation Actions (IAs) proposals submitted to the BBI JU calls for proposals and qualified above the quality threshold. BBI JU works with different funding organisations to ensure the recognition of the proposals awarded with the BBI JU Synergy Label Pilot.

The BBI JU Synergy Label is awarded to BBI JU proposals that were deemed to deserve funding but did not receive it due to budget limits. The BBI JU Synergy Label supports the search for alternative funding.

To support the Synergy Label initiative, the JU signed Memoranda of Understanding with the following Organisations:

- European Bank for Reconstruction and Development (EBRD): The EBRD works in the following regions: Central - Eastern Europe, Central Asia, North Africa and Middle East. It includes 12 EU countries: Estonia, Latvia, Lithuania, Slovenia, Poland, Slovakia Hungary, Romania, Bulgaria, Greece, Croatia and Cyprus. To be eligible for funding the operations of the proposal need to run in one of the mentioned countries.
- European Investment Bank (EIB): The European Fund for Strategic Investment (EFSI) is an EU-budget guarantee of 26 billion euro providing the EIB with a first loss protection. It is not a specific product that the EIB offers but a mechanism that allows the Bank to take greater risk and invest more. This guarantee applies throughout the EIB loans. Therefore, to receive EFSI financing there is no dedicated application. The type of financing offered covers the whole range of products that EIB offers.
- European Circular Bioeconomy Fund (ECBF): The ECBF is a venture capital fund dedicated to growth-stage investments in the circular bioeconomy including the blue economy and the bio-based industries in Europe, the ECBF relies on expertise and powerful networks to catalyse sustainable innovations and fuel business growth. ECBF wants to cooperate with regional partners to identify and select investment targets, and finance and support growth companies on a pan-European level.

BBI JU forwards the information of each proposal participating in the BBI JU Synergy Label initiative to the EBRD, EIB, and ECBF, in particular, the contact details of the representative of

the proposal, abstract and the main location of the investment. The proposals will then be selected for alternative funding based on each of these organization's own selection criteria.

There is no information on the number of projects receiving alternative funding through the EBRD, EIB or ECBF by making use of the synergy label.

Challenges and barriers

- The solutions do not overcome the main limit represented by the synchronization of opportunities for multi-partners proposals.
- JUs' "synergy label" are drafted in a way that leaves to applicants the responsibilities and burden to take advantage of the label without ensuring any other supporting actions

Good practices and lessons learned

- **Establishing and making use of a "synergy label"** to enable Funding Organisations to convey funds and foster investments for those less developed countries.
- **Establishing long-term dialogue and cooperation** between Partnerships, Managing Authorities and other Funding Organizations so that research topics and overall challenges can be updated and addressed over time.



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